

**GOVERNMENT OF TELANGANA
ABSTRACT**

Agriculture & Cooperation Department – Continuation of Rythu Bima (Farmers Group Life Insurance) Scheme for the year 2019-20 in Telangana State - Orders - Issued.

AGRICULTURE AND COOPERATION (AGRI.II) DEPARTMENT

G.O.Ms.No. 22

Dated: 07-08-2019

Read the following:-

1. G.O. Ms. No. 63, A&C (Agri-II) Dept., dt: 19-6-2018.
2. From the Commissioner & Director of Agriculture Lr. No. Farmers Insurance (2)/20/2019, Dt: 23/07/2019.
3. From the Regional Manager (PGSG), LIC, Letter No. Dt: 22/07/2019, 01-08-2019 and 02-08-2019.
4. From the Principal Secretary to Chief Minister, Note No.500/PrISCM/2019, Dt:06/08/2019.

ORDER:

The Government of Telangana during 2018-19 launched a new scheme-entitled as "Farmers Group Life Insurance scheme" (Rythu Bima) for implementation from 2018 for the welfare of the farmers which was operational for one year from 14th August 2018 to 13th August 2019.

The scheme was launched with the objective of providing financial relief and security to the family members/dependents of the deceased farmer in case of his/her death. In Telangana, majority of the farmers are small and marginal and farming is the sole source of livelihood to them. In the event of the death of the farmer/ bread winner, their families face severe financial problems even for their day-to-day needs. The farmers Group Life Insurance Scheme (Rythu Bima) ensures financial security and relief to the bereaved members of the farmer's family.

The Commissioner & Director of Agriculture further submitted that the success of the scheme implementation is reflected in terms of timely settlement of claims to the designated nominee/ Appointee of deceased enrolled farmer within (10) days of his/her death as envisaged under the scheme.

The Commissioner and Director of Agriculture requested the Government for continuation of the scheme for one more year i.e. 14th August 2019 to 13th August 2020.

The Regional Manager (PGSG) submitted that LIC of India have been doing their best to make the flagship program of the Government of Telangana a grand success and reach out the benefits of the scheme to the intended beneficiaries as per the Scheme rules without any profit orientation. LIC had the pleasure of commencing the scheme on a prestigious note, which is crucial in terms of enrolment of the members, IT infrastructure, linkage and constant liaison with the concerned officials. With the actual experience of mortality rate and other related expenses, informed that it is felt necessary to revise premium rate upwards to ensure the viability of the scheme on the basis of actual experience on mortality and expenses. Based on discussions held, LIC proposed the following approach for the year 2019-2020 for arriving at the premium considering the following factors.

- a) Pricing at the mortality experience and stamp duty incurred in the immediate preceding year
- b) GST on premium at prevailing rates
- c) As the above two components are the direct pay outs from LIC of India, LIC factored an administrative charge @ 5% on the mortality premium to meet the various fixed and variable expenses on IT and manpower and expected loss. (In the year 2018-19, the loss incurred to premium collected is approximately 54.42%).

LIC informed that it is proposing cost based pricing and not profit based pricing and after negotiations as per the revised proposal submitted by the LIC, the premium per farmer will be:

S.No	Details	Amount (in Rupees)	Remarks
1	Premium per farmer	3013.50	
2	CGST 9%	271.22	
3	SGST 9%	271.22	State revenue receipt
4	Stamp Duty	30.94 Crs	State revenue receipt

The State has to pay an amount of Rs.3013.50 Premium + Rs.542.44 (GST) i.e., Rs.3555.94 per farmer. In addition to the above LIC requested for payment of an amount of Rs.30.94 Crores as an additionality towards Stamp duty to be paid by them.

The guidelines issued in the G.O.Ms. No.63, Agriculture & Cooperation (Agri.II) Department, dated:19.06.2018 are also applicable for the 2nd year of scheme. The 2nd year of scheme will be operational from 14th August 2019 to 13th August 2020. All the pattadars in the Age group of 18 to 59 years as on 14th August 2019 (born between 14th August 1960 to 14th August 2001 both days inclusive) shall be eligible for enrolment under the scheme .The pattadars data will be obtained from CCLA .

Government after careful examination of the matter, hereby continue the Rythu Bima scheme for one more year i.e., 14th August 2019 to 13th August 2020 scheme, keeping in view the 31.10 Lakh farmers enrolled during 2018-19, approves for payment of an amount of Rs.934.19 Crores premium along with applicable GST as additionality to LIC as advance on or before 13th August 2019 towards premium of 31 lakh farmers @ Rs.3013.50/farmer plus applicable GST as an additionality.

This order issues with the concurrence of the Finance Department vide Note No.223/A1/EBS-II/2019, Dt: 03/08/2019.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

C.PARTHASARATHI
APC & PRINCIPAL SECRETARY TO GOVERNMENT

To

The Commissioner & Director of Agriculture, Hyderabad.

The Director of Horticulture & Sericulture, Hyderabad.

The State Information Officer, NIC, Hyderabad.

All Collectors/JCs/DAOs/DH&Sos.

The District Treasury Office, Ranga Reddy District.

Copy to:

The Spl. Chief Secretary (Revenue Dept.)

The Principal Finance Secretary.

The Director, Office of the Chief Commissioner of Land Administration, Hyderabad

The Convener, SLBC, The President, SLBC and all Nodal Banks in the State

The Director of Treasuries, Hyderabad

The Managing Director, "Telangana Rashtra Rythu Samanvaya Samithi", Hyderabad.

The P.S. to Minister (A&C).

The P.S. to Chief Secretary, Govt. of Telangana, Hyderabad.

The P.S. to Principal Secretary (Finance), Govt. of Telangana, Hyderabad.

The P.S. to Principal Secretary to Chief Minister, Govt. of Telangana, Hyderabad.

The P.S. to APC & Principal Secretary, Agriculture & Cooperation Dept.,

Govt. of Telangana, Hyderabad.

The General Administration (Cabinet) Department, Govt. of Telangana, Hyderabad.

SF/SC

// FORWARDED BY ORDER//

SECTION OFFICER